UNITED NATIONS DEVELOPMENT PROGRAMME

UNDP

Distributed on request

DP/PROJECTS/2879
(BRA/74/009)
14 March 1980

ENGLISH ONLY

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF THE GOVERNMENT OF BRAZIL

Telecommunications Research and Development (Supplementary Assistance)(BRA/74/009)

Report of the Administrator*

Date of present approval:	November 1978
Starting date of project activities:	June 1975 (Including previous assistance)
Planned completion date:	April 1980
Government implementing agency:	Telecomunicações Brasileiras S.A. (TELEBRÁS)
Estimated cost of assistance planned under present approval:	(UNDP financed: $296 000) $1 202 300 (Government cost sharing: $906 300)
Source of UNDP financing:	Indicative Planning Figure (IPF)

I. Background

1. The Government of Brazil has undertaken an ambitious programme of expansion of telecommunications involving the establishment of a national structure for planning of training, research and development in order to design and adapt models and methodologies suitable to the conditions of the country. To assist in developing this programme, Telecomunicações Brasileiras S.A. (TELEBRÁS) was created in 1972 as a holding company for all telecommunications enterprises in the country. UNDP assistance was approved in 1975 1/ for the promotion of a national electronic manufacturing industry capable of developing, designing and manufacturing components and telecommunication equipment suited to local conditions and with export potential.

2. At a tripartite review of the project held in February 1978, it was concluded that although the project had successfully achieved most of its objectives, the final phase of bringing a design from laboratory development to the manufacturing stage would

1/ DP/PROJECTS/1463.

* In accordance with General Assembly resolution 2688 (XXV) and subsequent authorizations of the UNDP Governing Council, reports are issued aeriatim on the approval of UNDP assistance of $250,000 or more (including, if any, assistance financed by Government or by third-party cost sharing).

/...

require an extension through 1980 with additional support from UNDP together with a Government cost-sharing contribution. The recommended extension was approved in November 1978.

II. Objectives and activities

3. The objective of the project remains to assist in the promotion, integration and control of telecommunications research and development on a national scale. The supplementary assistance, which extends the project through to April 1980, is intended to enable the Government to meet the last of the original immediate objectives, that is, to foster and develop the national manufacturing capability in electronic components and telecommunications equipment. The activities foreseen, in addition to importation and installation of equipment, include advisory services to TELEBRÁS in the areas of switching, digital transmission and component manufacture.

III. Inputs

4. Under the assistance now approved UNDP will provide, through the Executing Agency, components, supplies and equipment needed by the TELEBRÁS Research and Development Centre (CPqD) to carry out prototype development and testing leading eventually to full-scale manufacture. Essential expert activities in the areas of electronic switching and digital transmission, together with short-term consultancies will continue.

5. In addition to the cost-sharing contribution, the Government will also provide qualified personnel and supporting staff, office space, supplies and equipment.

IV. Financial data

6. The expenditure components of the planned assistance are as follows:

	Previously approved $	Present approval $	Total approved $
Personnel	871 000	329 500	1 200 500
Equipment	111 400	874 200	985 600
Miscellaneous	15 500	(1 400)	14 100
Total	997 900	1 202 300	2 200 200
Financed by:			
UNDP	950 700	296 000	1 246 700
Government	47 200	906 300	953 500

7. In addition to the total amount financed by the Government as shown above ($953,500), the Government will also pay $47,800 towards related Executing Agency support costs. The estimated total value, expressed in US dollars, of the inputs provided directly by the Government to the project is $30 million in kind.

- - - - -